

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE	PAGE 1	OF 1	PAGES 9
2. AMENDMENT/MODIFICATION NO. 007		3. EFFECTIVE DATE March 16, 2007	4. REQUISITION/PURCHASE REQ. NO. Not applicable		5. PROJECT NO. (If applicable)		
6. ISSUED BY NASA DRYDEN FLIGHT RESEARCH CENTER PO BOX 273/D-1422/A/ EDWARDS, CA 93523-0273		CODE	7. ADMINISTERED BY (If other than Item 6)		CODE		

8. NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP: Code) POTENTIAL OFFERORS		(X)	9A. AMENDMENT OF SOLICITATION NO. NND07154670R
		X	9B. DATED (SEE ITEM 11) December 19, 2006
			10A. MODIFICATION OF CONTRACT/ORDER NO.
			10B. DATED (SEE ITEM 13)
CODE	FACILITY CODE		

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☒ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☒ is extended, ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning one (1) copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATA SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and data specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

Not applicable

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(X)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER Specify type of modification and authority)

E. **IMPORTANT:** Contractor ☐ is not, ☐ is required to sign this document and return _____ copies to the issuing office.

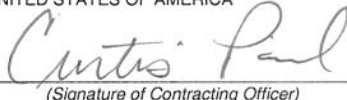
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

The purpose of Amendment 007 is to:

- (1) Change the applicable provisions of the RFP to include Award Term and extend the potential period of performance to ten years.
- (2) Extend the due date for receipt of the Total Compensation Plan (TCP) and the Cost Volume.
- (3) A revised Attachment 10 is included with this amendment.

The changes are detailed on the following pages.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Curtis Paul, Contracting Officer	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY  (Signature of Contracting Officer)	16C. DATE SIGNED 3/16/2007
(Signature of person authorized to sign)			

1. Under Provision B.2, "MINIMUM/MAXIMUM VALUE OF CONTRACT", delete the clause and replace it with the following:

The minimum and maximum estimated costs for the Core Period and each individual "Award Term" year in this contract are shown in the following table. These minimum and maximum estimated cost amounts represent the Government's ordering limitations as anticipated by the clause at FAR 52.216-22, Indefinite Quantity, and are exclusive of award fee.

<u>Period Covered</u>	<u>Minimum Estimated Cost</u>	<u>Maximum Estimated Cost</u>
Core Period	\$2,000,000	\$60,000,000
Individual Award Term Year	\$500,000	\$15,000,000

(End of clause)

2. Under Provision B.3, "SUPPLIES AND/OR SERVICES TO BE PROVIDED", delete the clause and replace it with the following:

The Contractor shall provide all resources (except as may be expressly stated in the contract as furnished by the Government) necessary to deliver and/or perform the items below in accordance with the Description/Specifications/Statement of Work incorporated in Section J, Attachment 1.

CLIN	Description	Contract Type	Estimate
CORE PERIOD (FORTY-EIGHT MONTHS)			
00001	ENGINEERING & TECHNICAL SERVICES (ETS) FOR BASIC PERIOD OF PERFORMANCE	Cost Plus Award/Fixed Fee (CPA/FF)	\$TBP
00002	OTHER DIRECT COSTS FOR BASIC PERIOD OF PERFORMANCE	Cost - No Fee (CNF)	
<u>Sub-CLIN</u>			
0002A	TRAINING/TRAVEL/MISCELLANEOUS ODCs		\$TBP
0002B	MATERIAL		\$TBP
0002C	SUBCONTRACTS		\$TBP
	CLIN 00002 TOTAL		\$TBP
AWARD TERMS PERIOD (MAXIMUM OF SEVENTY-TWO MONTHS)			
00003	ENGINEERING & TECHNICAL SERVICES (ETS) FOR AWARD TERMS PERIOD OF PERFORMANCE	Cost Plus Award/Fixed Fee (CPA/FF)	\$TBP
00004	OTHER DIRECT COSTS FOR AWARD TERMS PERIOD OF PERFORMANCE	Cost - No Fee	
<u>Sub-CLIN</u>			
0004A	TRAINING/TRAVEL/MISCELLANEOUS ODCs		\$TBP
0004B	MATERIAL		\$TBP

CLIN	Description	Contract Type	Estimate
0004C	SUBCONTRACTS		\$TBP
		CLIN 00004 TOTAL	\$TBP

*TBP - To Be Proposed.

(End of clause)

3. Under Provision B.4, “ESTIMATED COST AND AWARD FEE”, delete the clause and replace it with the following:

B.4 ESTIMATED COST AND FEE.

The estimated cost of this contract is \$TBP. The maximum available award fee is \$TBP and the available fixed fee is \$TBP. The total estimated cost, maximum award fee and fixed fee are \$TBP.

(End of clause)

4. Under Provision F.3, “PERIOD OF PERFORMANCE”, delete the clause and replace it with the following:

The core period of performance of this contract shall be for a period of four years. Subsequent contract periods, if any, shall be earned as part of the award term process in one-year increments up to a maximum contract period of ten years in accordance with clause G.15, AWARD FEE/AWARD TERM. Task Orders may be issued under this contract during the entire performance period.

(End of clause)

5. Under Provision G.15, “AWARD FEE FOR SERVICE CONTRACTS”, delete the clause and replace it with the following:

G.15 AWARD FEE/AWARD TERM

This clause describes the application of Award Fee and Award Term incentives to this contract. As explained herein, the contract period of performance may be extended in accordance with the contract Award Fee/Award Term Performance Evaluation Plan.

(a) Award Fee/Award Term Plan: The NASA approved Award Fee/Award Term Performance Evaluation Plan (PEP) will be provided to the Contractor prior to the conclusion of the phase-in period. The Award Fee/Award Term PEP will provide for evaluation of contractor performance and serve as the basis for any award fee or award term decisions. The Award Fee/Award Term PEP may be revised unilaterally by the Government and re-issued to the Contractor 15 days prior to the commencement of any 6-month evaluation period. The Government shall appoint

an Award Fee/Award Term Determination Official (ADO) that will be responsible for the overall award fee/award term evaluation and subsequent award fee/award term decisions.

(b) Evaluation Approach: The Government shall evaluate the Contractor's performance on a six (6) month basis. The adjectival ratings and the associated numerical scores in NFS 1816.405-275 shall be used for the evaluation scoring on the contract. Three (3) factors will be used to evaluate performance for each 6 month interval of the contract. They are Technical Performance, Technical Management, and Cost Control. The weighting of the factors in determining the score will be provided in the Award Fee/Award Term PEP. In accordance with NFS 1816.405-274(b), the Cost Control Factor will always be allocated at least 25 percent of the score. Prior to the start of contract performance and prior to each subsequent evaluation period, the Contracting Officer will notify the Contractor as to what the weighting of the evaluation factors will be. The amount will vary dependent on the emphasis the Performance Evaluation Board wishes to impose but shall not exceed 100 percent. The Government will advise the Contractor in writing of the evaluation results.

(c) Contractor's Self-Assessment: The Contractor may submit a self-evaluation of performance for each evaluation period under consideration. The Contractor's self-assessment is voluntary, but if provided, must be submitted to the Contracting Officer within five (5) days after the end of the evaluation period in order to be considered. This written assessment of the contractor's performance throughout the evaluation period should contain any information that the Contractor wishes to provide to the Performance Evaluation Board (PEB) and the ADO for consideration in evaluating the Contractor's performance. The Contractor's self-assessment may not exceed ten (10) pages (8.5" x 11", not smaller than New Times Roman 12 point type).

(d) Administration: The application of the award fee or award term incentives will depend on the contract year. During Contract Years 1, 8, 9, and 10, the contract will be Award Fee. During Contract Years 2 through 7, the contract will be Award Term.

- (1) Award Fee. In the Award Fee years, the evaluation will be used to determine the amount of award fee earned by the contractor for each 6 month period. The amount of the award fee pool will be negotiated based on the hourly Award Fee Rates incorporated into the contract as Attachment 10 entitled "Award Fee Pool — Hourly Rates." For purposes of establishing the award fee pools, the parties will agree to the mix and number of direct labor hours for each task order; this mix of labor will not be binding on the contractor during performance. However, the award fee pool for any order shall not exceed the limits specified in FAR 15.404-4(c)(4) for CPFF contracts.
- (2) Award Term. In the Award Term years, the award term evaluation will be completed on an annual basis. The annual evaluation will consist of two successive 6-month "interim" evaluations that will be jointly considered for a "final" annual rating. The annual rating will be used as the basis for any award term decision. At the conclusion of contract year two, the final annual adjectival rating must be a "Very Good" or above for the Contractor to receive an additional contract term (extension of contract period). For the evaluation periods at the end of years 3-7, the final annual adjectival rating must be an "Excellent" for the Contractor to receive additional contract terms. During the years that the award term provisions are in affect, the Award Fee pool amount will revert to a Fixed Fee amount based on fee rates using 5% of the estimated costs in the Services Contract Line Items. As with the award fee pool, the fixed fee will be established for each task order.

(e) Award Fee/Award Term Decisions: As prescribed in the Award Fee/Award Term PEP, the evaluated score will translate into an award fee payment or an award term "year" based on the evaluated performance. Award Fee/Award Term determinations are unilateral decisions made solely at the discretion of the Government. The NASA appointed ADO is responsible for making the decision. Decisions by the ADO are considered "Final" and are not subject to further reviews or appeals. The Contractor hereby expressly waives any right of appeal or judicial review of the Award Fee/Award Term PEP and the award fee/award term decisions except as expressly set forth in this clause.

(f) Period of Performance: The contract "core" period of performance of four (4) years may be extended in one year "award term" increments, up to an additional six (6) years, based on overall contract performance as evaluated in accordance with the contract's Award Fee/Award Term PEP. The first year of the contract will be evaluated on a "shadow" basis where the results will not be used in making an award term decision. Award term decisions that affect the ordering period will commence in the second contract year and will conclude at the end of contract year seven, if all terms have been awarded.

(1) Cancellation: Award terms that have been earned and awarded are subject to the Termination and Limitation of Funds clauses of this contract. The Government may cancel unearned award term periods by providing written notice to the Contractor not less than 60 days before the start of an annual contract year.

(2) Automatic Re-competition Decision: During the course of the contract, if the remaining contract term (core and/or earned term) falls below two years, the ensuing unearned Award Terms are voided and become unavailable for increasing contract term. At that point, the contract becomes "set" ", which is defined as "that time the Contractor has either earned all available award term periods, or the Contractor did not earn the required final annual score in accordance with this clause and is, therefore, ineligible to earn further award terms."

(3) Award Term Extension: If the annual award term evaluations result in an increase to the period of performance, a unilateral modification will be executed by the Government to reflect the increase in total contract value. In no event will the contract be extended beyond the 10-year period of performance via the award term process.

(g) Reserve Fee: After 85 percent of the potential award fee or fixed fee has been paid, the Contracting Officer may direct the withholding of further payment of fee until a reserve is set aside in an amount that the Contracting Officer considers necessary to protect the Government's interest. This reserve shall not exceed 15 percent of the total potential fee amounts.

(h) Award Fee Allocation: The amount of award fee which can be awarded in each evaluation period is limited to the amounts set forth at in the Task Orders for that award fee period. Award fee which is not earned in an evaluation period cannot be reallocated to future evaluation periods.

(i) Provisional Fee:

(1) Provisional award fee payments will be made under this contract pending the determination of the amount of fee earned for an evaluation period. If applicable, provisional award fee payments will be made to the Contractor on a monthly basis. The

total amount of award fee available in an evaluation period that will be provisionally paid is the lesser of 80% or the prior period's evaluation score.

- (2) Provisional award fee payments will be superseded by the final award fee evaluation for that period. If provisional payments exceed the final evaluation score, the Contractor will either credit the next payment voucher for the amount of such overpayment or refund the difference to the Government, as directed by the Contracting Officer.
- (3) If the Contracting Officer determines that the Contractor will not achieve a level of performance commensurate with the provisional rate, payment of provisional award fee will be discontinued or reduced in such amounts as the Contracting Officer deems appropriate. The Contracting Officer will notify the Contractor in writing if it is determined that such discontinuance or reduction is appropriate.
- (4) Provisional award fee payments will not be made prior to the first award fee determination by the Government.

(End of clause)

6. Under Provision G.16, "AWARD FEE APPROACH", delete the clause and replace it with the following:

G.16 AWARD TERM SCHEDULE

The award term possible for each evaluation period is as follows:

Evaluation Period	Performance Required for Award Term	Available Award Term	Award Term Earned
Year 1	n/a	n/a	
Year 2	Very Good or Excellent (81 - 100)	1 year	Year 5
Year 3	Excellent (91 -100)	1 year	Year 6
Year 4	Excellent (91 -100)	1 year	Year 7
Year 5	Excellent (91 -100)	1 year	Year 8
Year 6	Excellent (91 -100)	1 year	Year 9
Year 7	Excellent (91 -100)	1 year	Year 10
Year 8	n/a	n/a	
Year 9	n/a	n/a	
Year 10	n/a	n/a	

(End of clause)

7. Under Provision L.12, "TYPE OF CONTRACT", delete the clause and replace it with the following:

The Government contemplates award of an Indefinite Delivery, Indefinite Quantity contract with Cost-Plus-Award-Fee and Cost-No-Fee Contract Line Items and Award Term (AT) provisions

resulting from this solicitation.

(End of clause)

8. Under Provision L.21(d)(1), "DUE DATE FOR RECEIPT OF PROPOSALS", delete the table and replace it with the following:

VOLUME	PROPOSAL VOLUME/SECTION REQUIRED	DATE AND TIME
I.	Contract Volume Completed Sections B through K of schedule and SF33	April 6, 2007 3:30 PM (PST)
II.	Mission Suitability Volume (Including all written plans except Total Compensation Plan)	March 9, 2007 3:30 PM (PST)
	Total Compensation Plan (TCP)	April 6, 2007 3:30 PM (PST)
III.	Past Performance Volume	March 9, 2007 3:30 PM (PST)
	Past Performance Questionnaires	March 9, 2007 3:30 PM (PST)
IV.	Cost Proposal	April 6, 2007 3:30 PM (PST)

9. Under Provision L.25(c), delete the first paragraph and table and replace it with the following:

(c) Instructions. Provide the following data for each time period indicated below. Cost data in the proposal shall be complete and factual. Cost submissions must match the offeror's accounting and estimating systems and provide at least the level of detail specified herein. Proposed costs and fees shall be summarized by the contract four year base period and the six year award terms period. Final monetary extensions in the cost proposal shall be expressed as the closest whole dollar amount, with cents omitted.

Period	From	To
CY 1	11/1/2007	10/31/2008
CY 2	11/1/2008	10/31/2009
CY 3	11/1/2009	10/31/2010
CY 4	11/1/2010	10/31/2011
AT 1	11/1/2011	10/31/2012
AT 2	11/1/2012	10/31/2013

AT 3	11/1/2013	10/31/2014
AT 4	11/1/2014	10/31/2015
AT 5	11/1/2015	10/31/2016
AT 6	11/1/2016	10/31/2017

10. Under Provision L.25(c)(iv), “Direct Costs” delete the table and replace it with the following:

	Training/Travel /Misc. ODCs	Materials	Subcontracts	Total
CY 1	\$ 400,000	\$ 1,000,000	\$ 2,000,000	\$ 3,400,000
CY 2	412,000	1,030,000	2,060,000	3,502,000
CY 3	424,000	1,061,000	2,122,000	3,607,000
CY 4	437,000	1,093,000	2,185,000	3,715,000
Base Period	\$1,673,000	\$ 4,184,000	\$8,367,000	\$14,224,000
AT 1	450,000	1,126,000	2,251,000	3,827,000
AT 2	464,000	1,159,000	2,319,000	3,942,000
AT 3	478,000	1,194,000	2,388,000	4,060,000
AT 4	492,000	1,230,000	2,460,000	4,182,000
AT 5	507,000	1,267,000	2,534,000	4,308,000
AT 6	522,000	1,305,000	2,610,000	4,437,000
Award Terms	\$2,913,000	\$ 7,281,000	\$14,562,000	\$24,756,000
Total	\$4,586,000	\$11,465,000	\$22,929,000	\$38,980,000

11. Under Provision L.25(c)(vi), “Award Fee Pool” delete the provision and replace it with the following:

- (vi) Award/Fixed Fee Pool: For the years that Award Fee is applicable, it is the Government’s intent to designate 100% of the available fee pool for award fee. There will be no base fee as described in FAR 16.405-2. For the Award Term years, the Award Fee pool amount will revert to a Fixed Fee that will be based on a 5 percent rate. Offerors shall propose hourly fee rates on Attachment 10 to the contract entitled

“Award/Fixed Fee Pool — Hourly Rates”, which will be incorporated into the contract and used in establishing the award/fixed fee pool(s) for each order under the contract.

In addition, offerors shall fill-in a Forms B entitled “Proposed Fee,” for each year of the contract. Instructions for completing the Form B are as follow:

- Identify the hourly fee rates for each labor category for each year that you have proposed in Attachment 10 (see previous paragraph).
- Multiply the hourly fee rates by the hours identified in Form B for each corresponding year of the contract to compute the fee attributable to each labor category.
- Add the fee amounts to calculate the proposed fee pool for each contract year.
- Do not propose fee rates for overtime hours.
- Do not propose separate fee rates for teaming subcontractors, if any.
- Do not propose fee rates for labor categories not identified, for example, site management or secretary.

12. Under Form B, change “5 contract years” to “10 potential contract years”. Change all references of “Award Fee” to “Fee”.

13. Under Attachment 10, the title of the form is changed from “AWARD FEE POOL — HOURLY RATES” to “AWARD/FIXED FEE POOL — HOURLY RATES”. In addition, new columns are added for additional contract years. The revised Attachment 10 is enclosed.

No other changes to this solicitation are made by issuance of this amendment.

AWARD/FIXED FEE — HOURLY RATES

Instructions: Offerors shall specify the hourly award/fixed fee rates for each of the labor categories and contract years (CY) identified below. (Reference Clause B.3)

ITEM NO.	LABOR CATEGORY	CY1	CY2	CY3	CY4	CY5
A.	ENGINEERING CATEGORIES					
A.1	Engineering Assistant					
A.2	Associate Engineer	TO BE COMPLETED BY THE OFFEROR				
A.3	Sr. Associate Engineer					
A.4	Junior Engineer					
A.5	Engineer					
A.6	Senior Engineer					
A.7	Principal Engineer					
A.8	Research Engineer					
A.9	UAV Test Pilot/UAV Instructor Pilot					
B.	SCIENTIST CATEGORIES					
B.1	Scientist					
B.2	Research Scientist					
B.3	Distinguished Scientist					
C.	OTHER DEGREED CATEGORIES					
C.1	Analyst					
C.2	Senior Analyst					
C.3	Program Analyst/Lead Analyst					
C.4	Senior Program Analyst/Senior Lead Analyst					
D.	RESERVED					
E.	TECHNICAL SUPPORT CATEGORIES					
E.1	Specialist					
E.2	Senior Specialist					
E.3	Master Specialist/Lead Specialist					
F.	TECHNICIAN CATEGORIES					
F.1	Technician					
F.2	Senior Technician					
F.3	Master Technician /Lead Technician					

AWARD/FIXED FEE POOL — HOURLY RATES
(Continued)

ITEM NO.	LABOR CATEGORY	CY6	CY7	CY8	CY9	CY10
A.	ENGINEERING CATEGORIES					
A.1	Engineering Assistant					
A.2	Associate Engineer	TO BE COMPLETED BY THE OFFEROR				
A.3	Sr. Associate Engineer					
A.4	Junior Engineer					
A.5	Engineer					
A.6	Senior Engineer					
A.7	Principal Engineer					
A.8	Research Engineer					
A.9	UAV Test Pilot/UAV Instructor Pilot					
B.	SCIENTIST CATEGORIES					
B.1	Scientist					
B.2	Research Scientist					
B.3	Distinguished Scientist					
C.	OTHER DEGREED CATEGORIES					
C.1	Analyst					
C.2	Senior Analyst					
C.3	Program Analyst/Lead Analyst					
C.4	Senior Program Analyst/Senior Lead Analyst					
D.	RESERVED					
E.	TECHNICAL SUPPORT CATEGORIES					
E.1	Specialist					
E.2	Senior Specialist					
E.3	Master Specialist/Lead Specialist					
F.	TECHNICIAN CATEGORIES					
F.1	Technician					
F.2	Senior Technician					
F.3	Master Technician /Lead Technician					